

**Opening Statement**  
**Chairman Michael G. Oxley**  
**Committee on Financial Services**  
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**Federal Reserve Board**  
**Monetary Policy Report to Congress**

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Before we formally welcome Chairman Greenspan, I want to take a moment to welcome the Committee back to our newly refurbished Committee room.

We have completed the bulk of our renovations to our Committee hearing rooms, which have taken a full year to accomplish.

Over the last six weeks, we replaced the original 40-year-old audio system with a state-of-the-art digital sound system. The new system will enable all of us, and the audience, to hear each other clearly for the first time. We also added some multimedia and broadcast capabilities to the tools available to the Committee.

All of these improvements will improve the work of this Committee, and make its proceedings even more accessible to the public.

I particularly want to thank Chairman Ney for all of his support and hard work in helping us to complete this project. I also want to thank all the Members of this Committee for their strong support in making every aspect of this Committee, including our hearing rooms, the best on Capitol Hill.

With that said, good morning, Chairman Greenspan. Thank you for coming today.

The world economy has been turbulent, and you've had issues to deal with that even you've never seen before.

The economy has benefited greatly from your leadership at the Federal Reserve. In these uncertain times, experience and steadiness at the helm of the central bank are particularly important. So we are grateful for your continued service.

Before we begin today, I also want to say that this Committee – and the Nation – owes you its appreciation for everything the Federal Reserve Board did in the days immediately following September 11. The Fed – working with financial institutions of all kinds, all over the country – made it possible for our system to continue to work flawlessly at a time of great confusion and great peril. It is a great story – one that not enough people know about. We owe you, and everyone at the Fed, our gratitude.

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Terrorism gave our stagnating economy a hard shove. But, so far, the war has caused no lasting economic damage. In fact, our economy is rebounding from recession despite the war, and despite the difficulties experienced by individual companies in many different markets. This is an amazing testament to our fundamental economic strength.

We look forward to your views of what's happening in the economy – and what else can be done to speed the economic recovery.

Congress also must do its part in a number of areas. We look forward to your opinions and reactions to many of those issues.

This Committee oversees the growth engine of the economy – the companies that provide the capital for all other businesses to expand, and to begin. That's why you visit us twice a year, and that's why we always seek your advice on things Congress can do that will help grow the economy.

Our committee was the most productive in Congress after September 11. We have enacted bills ranging from the PATRIOT Act, to eliminating excess fees investors pay for operations of the SEC – the second biggest tax cut of the Bush Administration. We have passed terrorism insurance legislation, and a host of other bills. Throughout it all, we are doing much more than responding to terrorism: we are trying to help the economy recover and grow.

Economic growth remains our Committee's focus today. It's more important than ever for this Committee to focus on all the ways we can remove barriers to economic growth. As you state in your testimony, "deregulation and innovation in the financial sector have been especially important in enhancing overall economic performance."

Congress made great initial strides in the 1990s. We began to deregulate financial and product markets in Gramm-Leach-Bliley. We made sure that trading on the stock markets occurred in decimals. We worked to help investors get more information from companies so they can make informed decisions about their portfolios.

The result was unprecedented prosperity – and the unprecedented ability to bounce back after a recession and after September 11.

But it's no time to rest on those accomplishments. There's a lot more to do.

Now more than ever, we need to free up capital to seed new businesses and expand existing businesses.

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We need to make sure that the whole value of every business is reflected in its accounting, and in its financial statements. We need to increase the transparency and usefulness of financial statements to the investing public, so that as much light as possible is shed on the operations of every company.

We must continue to remove unnecessary economic and regulatory burdens on our businesses so that they can help lead the economic recovery. We're trying to do that here, both by reforming the deposit insurance system and by spearheading regulatory relief for financial institutions.

On these issues, and many others, we look forward to your continued advice and assistance. We appreciate your testimony here today.

With that, I yield to the gentleman from New York, Mr. LaFalce.

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